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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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MAR 21 1997

Federal Communications Commission
Office of Secretary

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In the Matter of:

Implementation of the Non-Accounting
Safeguards of Sections 271 and 272 of
the Communications Act of 1934,
as amended

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CC Docket No. 96-149

MCI REPLY COMMENTS

I. Introduction

MCI Telecommunications Corporation, pursuant to the Further Notice of Proposed Rulemaking (Notice) in the above-captioned docket, hereby submits its Reply Comments. In the Notice, the Commission solicited comment on the specific public disclosure requirements necessary to implement Section 272(e)(1) of the Communications Act (Act). Twelve parties filed comments.

II. The Commission Should Broaden the Scope of the Reports

In Appendix C of the Non-Accounting Safeguards Order, the Commission proposed a report format that would require the BOCs to report only installation and

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maintenance intervals for exchange access services.¹ While the Bell Operating Company (BOC) commenters generally concur with the Commission's proposal to limit the reporting requirements in this fashion, other parties agree that the implementation of Section 272 requires that the report format include additional performance indicators.

Non-BOC commenters agree that the BOCs should be required to report installation and maintenance intervals for local exchange services, not only for exchange access services. As noted by AT&T, the plain language of Section 272(e)(1) requires the BOCs to provide both exchange and exchange access services on a nondiscriminatory basis.² Interested parties must be able to detect if the BOC is providing exchange services to its affiliate, for use in bundled packages of local and long distance service, in less time than it provides such services to unaffiliated carriers.³ Accordingly, the Commission should modify its report format to incorporate maintenance and installation intervals for local services. If the Commission does not adopt AT&T's proposed format, it should, at a minimum, require the BOCs to report installation and maintenance intervals for resold services, as suggested by MCI and Sprint.⁴

¹In the Matter of Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as amended, First Report and Order and Further Notice of Proposed Rulemaking, CC Docket No. 96-149, released December 24, 1996, Appendix C (Non-Accounting Safeguards Order).

²AT&T Comments at 11.

³Teleport Comments at 10.

⁴Sprint Comments at 2-4.

In addition, non-BOC commenters agree that the Commission should require the BOCs to report service quality measures for exchange and exchange access services. The nondiscrimination requirements of Section 272(c) and (e) clearly prohibit the BOCs from discriminating in the quality of access services they provide. Moreover, even if the Commission limits the scope of the report to the enforcement of Section 272(e)(1), a service provided to a competitor that is of lesser quality is per se not timely, since in that situation the competitor is not yet receiving service comparable to that provided to the BOC's affiliate.⁵ For this reason, the Commission should require the BOCs to report the service quality parameters included in AT&T and MCI's model reports, such as failure frequency, frequency of new circuit failures, and repeat failure frequency.

III. The Commission Should Reject BOC Proposals to Reduce the Utility of Report Data

Several BOCs request that the Commission narrow the scope of exchange access performance parameters included in the Section 272 reports. In particular, Bell Atlantic/NYNEX argues that the Commission should not require the reporting of "interim" measures such as "time to firm order confirmation," and should only require the reporting of the "end result."⁶ However, as noted by AT&T, certain intermediate checkpoints "are important to carrier and end user planning and preparation for service,

⁵AT&T Comments at 9.

⁶Bell Atlantic/NYNEX Comments at 7-8.

and therefore are of competitive significance.”⁷ Internal IXC procedures are, for example, linked to the receipt of a promised due date from the LEC.

The Commission should also reject assertions by some BOC commenters that the particular reporting categories are unduly burdensome or cannot be measured with existing systems.⁸ These claims are refuted by the fact that other BOCs appear to have no comparable concerns with providing the data in question. SBC, for example, generally supports the Commission’s report format and states that it is able to provide the information in the format proposed by the Commission.⁹

Several BOCs express concern about the Commission’s proposed “successful completion according to desired due date” metric.¹⁰ They argue that it would permit unaffiliated IXCs to skew the reports by requesting unrealistic due dates. They assert further that the only relevant measure is whether the BOC has met the promised due date. However, this ignores the fact that LECs respond occasionally to priority requests by providing services in less than the standard interval. It would be discriminatory for a BOC to respond to priority requests from its affiliate while failing to respond to priority requests from unaffiliated carriers. For this reason, the Commission should retain the

⁷AT&T Comments at 4, n.8.

⁸See, e.g., BellSouth Comments at 4 (unable to measure PIC change requests implemented in 6 hour intervals).

⁹SBC Comments at 10.

¹⁰BellSouth Comments at 3.

“desired due date” metric. Distortions resulting from unaffiliated carriers’ requests for very short intervals can be detected by examining related metrics included in MCI’s proposed report format, such as “average installation interval.”

U S West is alone in arguing that the BOCs should be permitted to report data aggregated across its region. Non-BOC commenters demonstrate in their comments that aggregation across a region can obscure significant state-by-state variation.¹¹ In addition, as Ameritech and Pacific Telesis observe, ONA and ARMIS data is currently collected on a state-by-state basis. MCI also agrees with Ameritech that “[m]aintaining data for each state seems to be an appropriate level of disaggregation, since this matches the level at which interLATA authorization is granted.”¹²

IV. Reports Should Be Posted on the Internet

In the Notice, the Commission tentatively concluded that the BOCs should only be required to make their Section 272 reports available to the public in one of their business offices. However, all commenters, including the BOCs, agree that the Commission should broaden access to the Section 272 reports by requiring the BOCs to post the reports on the Internet. Electronic dissemination of the reports will significantly

¹¹See, e.g., Sprint Comments at 5

¹²Ameritech Comments at 15.

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improve access to the information by the Commission, the public, and the BOC affiliates' competitors.

V. Conclusion

MCI requests that the Commission promulgate regulations implementing Section 272(c) and (e) of the Communications Act that are consistent with the above and with its initial Comments.

Respectfully submitted,
MCI TELECOMMUNICATIONS CORPORATION

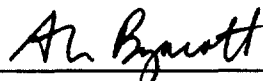
A handwritten signature in black ink, appearing to read "Alan Buzacott".

Alan Buzacott
1801 Pennsylvania Ave., NW
Washington, D.C. 20006
(202) 887-3204

March 21, 1997

STATEMENT OF VERIFICATION

I have read the foregoing and, to the best of my knowledge, information, and belief, there is good ground to support it, and it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct. Executed on March 21, 1997.

A handwritten signature in cursive script, appearing to read "Alan BuzaCott", is positioned above a horizontal line.

Alan BuzaCott
1801 Pennsylvania Avenue, NW
Washington, D.C. 20006
(202) 887-3204

CERTIFICATE OF SERVICE

I, Sylvia Chukwuocha, do hereby certify that a true copy of the foregoing "MCI REPLY COMMENTS" was served this 21st day of March, 1997, by hand-delivery or first-class mail, postage prepaid, upon each of the following persons:

Gary L. Philips
Ameritech
1401 H Street, N.W.
Suite 1020
Washington, DC 20005

David W. Carpenter
Peter D. Keisler
AT&T Corp.
One First National Plaza
Chicago, IL 60603

Mark C. Rosenblum
Leonard J. Cali
AT&T Corp.
295 North Maple Avenue
Basking Ridge, NJ 07920

Edward Shakin
Lawrence W. Katz
Bell Atlantic Telephone
Companies and Bell Atlantic
Communications, Inc.
1320 North Court House Road
Eighth Floor
Arlington, VA 22201

Walter H. Alford
John F. Beasley
William B. Barfield
Jim O. Llewellyn
Bellsouth Corporation
1155 Peachtree Street, N.E.
Suite 1800
Atlanta, GA 30309-2641

David G. Frolio
David G. Richards
Bellsouth Corporation
1133 21st Street, N.W.
Washington, DC 20036

Patrick S. Berdge
Public Utilities Commission of
the State of California
505 Van Ness Ave.,
San Francisco, CA 94102

Danny E. Adams
Kelley Drye & Warren LLP
1200 19th Street, N.W.
Washington, DC 20036

Thomas K. Crowe
Law Offices of Thomas K.
Crowe, P.C.
Excel Telecommunications, Inc.
2300 M Street, N.W.
Suite 800
Washington, DC 20037

Cynthia B. Miller
Florida Public Service
Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Michael J. Shortley, III
Frontier Corporation
180 South Clinton Avenue
Rochester, New York 14646

Jonathan Jacob Nadler
Squire, Sanders & Dempsey
1201 Pennsylvania Ave., N.W.
P.O. Box 407
Washington, DC 20004

Daniel C. Duncan
Information Industry
Association
1625 Massachusetts Ave., N.W.

Andrew D. Lipman
Swidler & Berlin, Chartered
3000 K Street, N.W.
Suite 300
Washington, DC 20007

William J. Celio
Michigan Public Service
Commission
6545 Mercantile Way
Lansing, MI 48910

Eric Witte
Missouri Public Service
Commission
P.O. Box 360
Jefferson City, MO 65102

Charles D. Gray
James Bradford Ramsay
National Association of
Regulatory Utility
Commissioners
1201 Constitution Ave
Suite 1102
P.O. Box 684
Washington, DC 20044

Blossom A. Peretz
New Jersey Division of the
Ratepayers Advocate
31 Clinton Street, 11th Floor
Newark, NJ 07101

Mary E. Burgess
NYS Department of Public
Service
Three Empire State Plaza
Albany, New York 12223-1350

Donald C. Rowe
NYNEX Corporation
111 Westchester Avenue
White Plains, NY 10604

Mary W. Marks
Southwestern Bell Telephone
Company
One Bell Center
Room 3536
St. Louis, MO 63101

Leon M. Kestenbaum
Sprint Corporation
1850 M Street, N.W.
Suite 1110
Washington, DC 20036

John L. McGrew
Brian Conboy
Willkie Farr & Gallagher
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20036

Alfred M. Mamlet
Steptoe & Johnson LLP
1330 Connecticut Ave., N.W.
Washington, DC 20036

Teresa Marrero
Teleport Communications Group,
Inc.
One Teleport Drive
Staten Island, NY 10311

Lesla Lehtonen
California Cable Television
Association
4341 Piedmont Ave
P.O. Box 11080
Oakland, CA 94611

Mary McDermott
United States Telephone
Association
1401 H Street, N.W.
Suite 600
Washington, DC 20005

Robert B. McKenna
US West, Inc.
1020 19th Street, N.W.
Washington, DC 20036

Ruth S. Baker-Battist
Voice-Tel
5600 Wisconsin Ave.,
Suite 1007
Chevy Chase, MD 20815

Joel Bernstein
Halprin, Temple, Goodman
and Sugrue
1100 New York Ave., N.W.
Suite 650E
Washington, DC 20005

Janice Myles
Common Carrier Bureau
Federal Communications
Division
Room 544
1919 M Street, N.W.
Washington, DC 20554

International Transcription
Service
1919 M Street, N.W.
Room 246
Washington, DC 20554


Sylvia Chukwuocha